# GOVERNMENT OF INDIA
# COMMERCE AND INDUSTRY
# LOK SABHA

UNSTARRED QUESTION NO:1331
ANSWERED ON:02.05.2016
Import of Pharmaceutical Products
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**Will the Minister of COMMERCE AND INDUSTRY be pleased to state:**

(a) the details of Imports of Pharmaceutical Products from China during each of the last three years, product/ quantity/value-wise;
(b) whether India is heavily dependent on China for drug imports and if so, the details thereof;
(c) whether the Government proposes to set up specified pharmaceutical zones in order to reduce the country"s dependence on China for the raw material used to produce drugs;
(d) if so, the details thereof along with the time by which these pharma zones are likely to be set up; and
(e) the other steps taken/ being taken by the Government to promote the "Make in India" initiative and curb drug imports from China?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a): The details of Imports of Pharmaceutical Products from China during each of the last three years is as under :

COMMODITY 2012-13(KGS) 2012-13 in $mn 2013-14 (KGs) 2013-14 in $mn 2014-15(KGS) 2014-15 in $mn April-Dec 2015 (KGS) April-Dec 2015 in $ mn
AYUSH AND HERBAL PRODUCTS 412280 0.43 311745 0.38 190817 0.40 999358 0.72
BULK DRUGS, DRUG INTERMEDIATES 135794942 2009.88 151672181 2000.39 153292090 2088.31 118533289 1626.88
DRUG FORMULATIONS, BIOLOGICALS 547521 87.05 456378 110.59 661838 129.67 526511 115.82
Total imports from China 136754743 2097.36 152440304 2111.37 154144745 2218.37 120059158 1743.42
(b) : The estimated production of bulk drugs by indigenous drug manufacturing companies in 2013 was US$ 10.4 billion and import for the period was US$ 3.5 billion which came primarily from China. Indian drug manufacturers import pharmaceuticals including drug intermediates, bulk drugs and formulations from various countries. Based on the information available relating to China, India imports drugs and pharmaceutical from China in the form of raw materials as well as finished products for both domestic consumption and exports. As per the reports available, in case of 12 essential drugs namely; Paracetamol, Metformin, Ranitidine, Amoxicillin, Ciprofloxacin, Cefixime, Acetyl salicylic acid, Ascorbic acid, Ofloxacin, Ibuprofen, Metronidazole and Ampicillin, there is significant dependence on imports for drug ingredients and substantial imports of these products are from China. One of the reasons for imports from China is the price competitiveness of these products.
(c) & (d) :No, Sir as per information provided by Department of Industrial Policy & Promotion and Department of Pharmaceuticals there is no such proposal.

(e) : India is one of the largest manufacturers of medicines and exports to more than 200 countries. Taking into account the dependence of Indian drug industry on import of APIs, an Inter-Ministerial Committee headed by Secretary, Department of Health Research had been constituted to study and identify the Active Pharmaceutical Ingredients (APIs) of critical importance and to consider a measures required to build domestic production capabilities etc. The committee has in its findings, inter-alia, reported that the API industry in the country has to be made more viable and there is a need for building an eco system to promote investment in the sector, based on global practices. There are also recommendations for improving the regulatory regime in the country.
Framework for increasing exports of various commodities including drug exports is provided in the Foreign Trade Policy (FTP) 2015-2020. Financial assistance is provided under Market Development Assistance and Market Access Initiative Schemes of the Department of Commerce to exporters of various commodities including Pharmaceutical products, particularly small and medium size exporters to promote their exports in various countries. Export Incentives are available to Pharmaceutical industry through various trade promotion schemes like Merchandise Exports from India Scheme(MEIS), Advance Authorization Scheme, DFIA for import of raw materials and EPCG Scheme for import of Capital Goods etc. in the Foreign Trade Policy (FTP).
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